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*State Budget and Control Board*  
OFFICE OF HUMAN RESOURCES

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**MEMORANDUM**

**TO:** Agency Heads and Human Resources Directors of All Agencies, Departments, Institutions, and Commissions

**FROM:** Samuel L. Wilkins  
Director

**DATE:** July 15, 2003

**SUBJECT:** 2003 Legislative Update

The following is a summary of human resources related legislation enacted by the South Carolina General Assembly during the 2003 Legislative session. Please consult the full text of the legislation for complete details by referring to the General Assembly web site at <http://www.scstatehouse.net/> or the Office of Human Resources web site at <http://www.state.sc.us/ohr/hrlaws/laws.htm>.

**Bills Ratified**

**Military Leave (R58, H3829)**

This joint resolution allows State employees who have volunteered for active duty to use up to 45 days of accrued annual leave and up to 90 days of accrued sick leave in calendar year 2003 as of April 21, 2003, the date the bill was signed by Governor Sanford. A proviso (see Proviso 63.54) authorizing the use of this leave is included in the 2003-3004 Appropriation Act. A memo regarding this military leave issue was distributed by the Office of Human Resources to agencies on April 23, 2003.

**Mandatory Furlough (R32, S320)**

This joint resolution was passed to amend Section 63.52 of the 2002-2003 General Appropriation Act which provides agency heads the authority to implement a mandatory furlough program within a designated department or organizational unit through the end of this fiscal year. A proviso (see Proviso 63.36) allowing mandatory furloughs by departments or program is included in the 2003-3004 Appropriation Act. A memo regarding mandatory furlough was distributed by the Office of Human Resources to agencies on April 23, 2003.

**Restructuring the Division of Motor Vehicles (R116, S342)**

This bill creates the Department of Motor Vehicles, moving the Motor Vehicles Division and the Motor Carrier Services unit within the Department of Public Safety to the new cabinet agency.

**Provisos under the Annual Appropriation Act (R127, H3749)****Proviso 5A.20 (Mandatory Furlough-Commission on Higher Education)**

This proviso allows agency heads for institutions of higher education and the State Board for Technical and Comprehensive Education through policy for the Technical College System to institute employee furlough programs of not more than twenty working days in the fiscal year when the general funds appropriated are less than the general funds appropriated for that agency in the preceding fiscal year, or when an across-the-board budget reduction is implemented. The furlough must be inclusive of all employees regardless of source of funds, place of work, or tenure status, and must include employees in classified positions and unclassified positions as well as agency heads. Employees who participate in a mandatory furlough will still maintain their state benefits during the furlough.

**Proviso 57.1 (Lieutenant Governor Personnel Administration Exemption)**

This proviso exempts the staff of the Lieutenant Governor's Office from the provisions of the Personnel Administration Act and the State Employee Grievance Procedure Act.

**Proviso 63.20 (Vacant Positions)**

For Fiscal Year 2003-2004, the Budget and Control Board is authorized to suspend the deletion of permanent positions left vacant for more than one year.

**Proviso 63.36 (Mandatory Furlough)**

This proviso allows state agencies to institute a mandatory employee furlough program for not more than 10 days per fiscal year within a designated department or program when the general funds appropriated are less than the general funds appropriated for that agency in the preceding fiscal year, or when an across-the-board budget reduction is implemented. Employees who participate in a mandatory furlough will still maintain their state benefits during the furlough.

**Proviso 63.46 (Family Sick Leave)**

This proviso allows State employees who earn sick leave as provided in Section 8-11-40 of the 1976 Code to use ten days rather than eight days for family sick leave to care for ill members of their immediate family during the current fiscal year.

**Proviso 63.54 (Military Service)**

For Fiscal Year 2003-2004, allows State employees who have been called or volunteered for active duty to use up to 45 days of accrued annual leave and up to 90 days of accrued sick leave as if it were annual leave in a calendar year.

**Proviso 72.41 (Carry Forward)**

The proviso was amended to delete the restriction that lump sum bonuses are to be paid only from the carry forward monies authorized in this proviso and increases the maximum bonus which can be given from "\$1,000" to "\$2,000." In addition, Proviso 72.56 (Federal/Other Funded Employee Bonus) was deleted since bonuses may now be paid from state, federal, or other funds.

**Proviso 72.63 (Voluntary Separation Incentive Program)**

The proviso was amended to prohibit employees who participate in a voluntary separation incentive program from being eligible to receive unemployment compensation benefits.

**Proviso 72.66 (Voluntary Furlough)**

This proviso allows state agencies to institute a voluntary employee furlough program for not more than 90 days per fiscal year when the general funds appropriated are less than the general funds appropriated for that agency in the preceding fiscal year, or when an across-the-board budget reduction is implemented. Employees who participate in a voluntary furlough will still maintain their state benefits during the furlough.

**Proviso 72.77 (Across-the-Board Reductions)**

This proviso encourages state agencies when taking any across-the-board cut mandated by the Budget and Control Board or the General Assembly, to reduce general operating expenses, which shall include but is not limited to, travel, training, procurement, and the hiring of temporary and contractual employees, before reductions are made to programs, special line items, or local provider services critical to the agency's mission.

**Proviso 72.90 (Best Management Practices)**

This proviso requires agencies to report on their website a self-assessment of the agency's use of best practices during the prior fiscal year. Agencies are encouraged to partner with other agencies for a peer review process. For each of the best practices, the agency must publicly rate itself as in compliance, in progress, or in non-compliance. State institutions of higher education are exempt from this requirement.

**Proviso 72.93 (Personnel Administration Exemption)**

This proviso exempts from the State Employee Grievance Procedure Act the employees of the constitutional officers who report directly to a constitutional officer or report directly to a person who reports directly to a constitutional officer. Additionally, the proviso exempts from the Act management employees who report directly to the agency head or report directly to a person who reports directly to the agency head in the following agencies: Department of Alcohol and Other Drug Abuse Services, the Department of Commerce, the Department of Corrections, the Department of Health and Human Services, the Department of Insurance, the Department of Juvenile Justice, the Department of Labor, Licensing and Regulation, the Department of Parks, Recreation and Tourism, the Department of Probation, Parole, and Pardon Services, the Department of Revenue, the Department of Social Services, the State Law Enforcement Division, and the Department of Public Safety.

**Proviso 72.105 (Constitutional Officer Furlough)**

This proviso allows all constitutional officers to take up to 36 days furlough in the current fiscal year. The officials will retain all responsibilities and authority during the furlough. All monies saved from this furlough may be retained by that agency and expended at the discretion of the constitutional officer. During this furlough, the constitutional officer shall be entitled to participate in the same state benefits as otherwise available to them except for receiving their salaries. As to those benefits which require employer and employee contributions, the state agency will be responsible for making both employer and employee contributions if coverage

would otherwise be interrupted; and as to those benefits which require only employee contributions, the constitutional officer remains solely responsible for making those contributions.

If you have any questions or need additional information regarding any of these provisos or statutes, please contact your Human Resources Consultant at 803-737-0900.

SLW/kp